

22-3800350

INSTALLMENT SALE NO. 1

copy

Worksheet for Figuring Net Earnings (Loss) From Self-Employment

Name of partnership PRIVATE LABEL SOURCING, LLC		Employer identification number 22-3800350
COPY		
1 a Ordinary income (loss) (Schedule K, line 1)	1a	308,186.
b Net income (loss) from CERTAIN rental real estate activities	1b	
c Net income (loss) from other rental activities (Schedule K, line 3c)	1c	
d Net loss from Form 4797, Part II, line 17, included on line 1a above. Enter as a positive amount	1d	
e Other additions	1e	
f Combine lines 1a through 1e	1f	308,186.
2 a Net gain from Form 4797, Part II, line 17, included on line 1a above	2a	
b Other subtractions	2b	
c Add lines 2a and 2b	2c	
3 a Subtract line 2c from line 1f. If line 1f is a loss, increase the loss on line 1f by the amount on line 2c	3a	308,186.
b Part of line 3a allocated to limited partners, estates, trusts, corporations, exempt organizations, and IRAs	3b	
c Subtract line 3b from line 3a	3c	308,186.
4 a Guaranteed payments to partners (Schedule K, line 4) derived from a trade or business as defined in section 1402(c)	4a	304,000.
b Part of line 4a allocated to individual limited partners for other than services and to estates, trusts, corporations, exempt organizations, and IRAs	4b	
c Subtract line 4b from line 4a	4c	304,000.
5 Net earnings (loss) from self-employment. Combine lines 3c and 4c. Enter here and on Schedule K, line 14a	5	612,186.

16230929 797696 223800350
 2004.05080 PRIVATE LABEL SOURCING, LLC 22380031
 STATEMENT(S) 3, 4, 5
 11

FORM 1065	OTHER DEDUCTIONS	STATEMENT	5
DESCRIPTION	AMOUNT		
DESIGN EXPENSES	67,094.		
UTILITIES	12,442.		
SHOWROOM EXPENSE	144,006.		
TRAVEL	274,750.		
COMMUNICATION	33,424.		
WAREHOUSE EXPENSE	124,543.		
OFFICE EXPENSES	30,227.		
EQUIPMENT RENTAL	14,802.		
INSURANCE	91,138.		
PROFESSIONAL FEES	130,602.		
BANK CHARGES	26,347.		
FACTOR'S COMMISSION & CHARGES	58,302.		
COMPUTER EXPENSE	30,397.		
AUTO EXPENSE	81,172.		
PRODUCTION SAMPLE DEVELOPMENT	621,713.		
LESS: SECTION 263A	<719,910.>		
LEGAL SETTLEMENT	75.		
DUES & SUBSCRIPTIONS	2,321.		
POSTAGE & DELIVERY	1,604.		
PAYROLL SERVICES	2,917.		
LOSS ON ABANDONMENT OF FIXED ASSETS	12,926.		
MEALS AND ENTERTAINMENT	49,533.		
AMORTIZATION EXPENSE	2,000.		
TOTAL TO FORM 1065, LINE 20	1,092,425.		

FORM 1065	TAX EXPENSE	STATEMENT	4
DESCRIPTION	AMOUNT		
NEW YORK CITY TAXES - BASED ON INCOME	27,000.		
PAYROLL TAXES	114,674.		
TOTAL TO FORM 1065, LINE 14	141,674.		
FORM 1065	OTHER INCOME	STATEMENT	3
DESCRIPTION	AMOUNT		
COMMISSION INCOME	3,833,042.		
SECTION 481(A) ADJUSTMENT-2ND YEAR	5,349.		
TOTAL TO FORM 1065, LINE 7	3,838,391.		

COPY

22-3800350

PRIVATE LABEL SOURCING, LLC

PRIVATE LABEL SOURCING, LLC

22-3800350

SCHEDULE A	OTHER COSTS	STATEMENT	6
------------	-------------	-----------	---

DESCRIPTION	AMOUNT
COMMISSIONS	188,612.
DUTY & BROKERAGE	670,899.
FREIGHT-IN	498,519.
OTHER CHARGES	1,365.
TOTAL TO FORM 1065, PAGE 2, LINE 5	1,359,395.

COPY

SCHEDULE A	ADDITIONAL SECTION 263A COSTS	STATEMENT	7
------------	-------------------------------	-----------	---

DESCRIPTION	AMOUNT
PRODUCTION & DESIGN SALARIES & PAYROLL TAXES	284,838.
SAMPLE DEVELOPMENT	269,011.
SHIPPING/WAREHOUSING STORAGE	38,492.
OFFICE SALRIES & MEMEERS	82,159.
PAYROLL TAXES & BENEFITS	10,695.
INSURANCE EXPENSES	3,684.
DEPRECIATION	10,641.
RENT & UTILITIES	16,243.
REPAIRS & MAINTENANCE	2,268.
COMPUTER EXPENSE	1,879.
TOTAL TO FORM 1065, PAGE 2, LINE 4	719,910.

SCHEDULE K	ADJUSTED GAIN OR LOSS	STATEMENT	8
------------	-----------------------	-----------	---

DESCRIPTION	AMOUNT
-------------	--------

TOTAL TO SCHEDULE K, LINE 17B

ADJUSTED GAIN OR LOSS ALLOCABLE TO:

SHORT-TERM CAPITAL GAIN OR LOSS
 LONG-TERM CAPITAL GAIN OR LOSS
 LONG-TERM COLLECTIBLES - 28% RATE
 SECTION 1231 GAIN OR LOSS
 ORDINARY GAIN OR LOSS
 UNRECAPTURED SECTION 1250 GAIN - 25% RATE

PRIVATE LABEL SOURCING, LLC

22-3800350

SCHEDULE K	NONDEDUCTIBLE EXPENSE	STATEMENT	9
------------	-----------------------	-----------	---

DESCRIPTION	AMOUNT
EXCLUDED MEALS AND ENTERTAINMENT EXPENSES	49,532.
TOTAL TO SCHEDULE K, LINE 18C	49,532.

COPY

SCHEDULE L	OTHER CURRENT ASSETS	STATEMENT	10
------------	----------------------	-----------	----

DESCRIPTION	BEGINNING OF TAX YEAR	END OF TAX YEAR
DUE FROM FACTOR	383,631.	363,062.
PREPAID EXPENSES	49,467.	76,835.
LOAN & EXCHANGES	16,804.	60,924.
TOTAL TO SCHEDULE L, LINE 6	449,902.	500,821.

SCHEDULE L	OTHER ASSETS	STATEMENT	11
------------	--------------	-----------	----

DESCRIPTION	BEGINNING OF TAX YEAR	END OF TAX YEAR
SECURITY DEPOSIT	137,680.	116,111.
TOTAL TO SCHEDULE L, LINE 13	137,680.	116,111.

PRIVATE LABEL SOURCING, LLC

22-3800350

FORM 1065

PARTNERS' CAPITAL ACCOUNT SUMMARY

STATEMENT 12

PARTNER NUMBER	BEGINNING CAPITAL	CAPITAL CONTRIBUTED	SCHEDULE M-2 LNS 3, 4 & 7	WITH- DRAWALS	ENDING CAPITAL
1	<120,812.>		24,868.	41,739.	<137,683.>
2	2,912.		24,867.	105,418.	<78,639.>
TOTAL	<117,900.>		49,735.	148,157.	<216,322.>

COPY

PRIVATE LABEL SOURCING, C

22-3800350

SCHEDULE M-1 INCOME NOT RECORDED ON BOOKS THIS YEAR STATEMENT 13

DESCRIPTION	AMOUNT
SEC. 263A ADJ - ENDING INVENTORY	110,216.
SECTION 481(A) ADJUSTMENT-2ND YEAR	5,349.
TOTAL TO SCHEDULE M-1, LINE 2	115,565.

COPY

SCHEDULE M-1 EXPENSES RECORDED ON BOOKS NOT DEDUCTED IN RETURN STATEMENT 14

DESCRIPTION	AMOUNT
PENSION EXPENSE	195,146.
TOTAL TO SCHEDULE M-1, LINE 4	195,146.

SCHEDULE M-1 INCOME RECORDED ON BOOKS NOT INCLUDED ON RETURN STATEMENT 15

DESCRIPTION	AMOUNT
GAIN (LOSS) ON DISPOSITION OF ASSETS	86,993.
TOTAL TO SCHEDULE M-1, LINE 6	86,993.

SCHEDULE M-1 DEDUCTIONS ON RETURN NOT CHARGED AGAINST BOOK STATEMENT 16

DESCRIPTION	AMOUNT
SEC. 263A ADJ - BEGINNING INVENTORY	49,161.
SECTION 461 ADJUSTMENT - PREPAID INSURANCE	31,540.
SECTION 461 ADJUSTMENT - PREPAID RENT	15,583.
LOSS ON ABANDONMENT OF FIXED ASSETS	12,926.
AMORTIZATION	2,000.
TOTAL TO SCHEDULE M-1, LINE 7	111,210.

2004 DEPRECIATION AND AMORTIZATION REPORT

OTHER 1

Asset No.	Description	Date Acquired	Method	Life	Use Mo.	Unadjusted Cost Or Basis	Bys % Excl	Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Current Sec 179	Amount Of Depreciation
11	(D) LEASEHOLD IMPROVEMENT	080102SL		39.0017		1,237.		371.	866.	39.		21.
12	(D) LEASEHOLD IMPROVEMENT	090102SL		39.0017		905.		242.	563.	18.		13.
13	(D) LEASEHOLD IMPROVEMENT	110102SL		39.0017		9,885.		2,966.	6,919.	199.		170.
14	(D) LEASEHOLD IMPROVEMENT	120102SL		39.0017		24,875.		7,463.	17,412.	465.		427.
39	(D) LEASEHOLD IMPROVEMENT	120103SL		39.0017		7,508.			7,508.	8.		185.
48	(D) LEASEHOLD IMPROVEMENT	022904SL		39.0019		679.		139.	339.			339.
49	(D) LEASEHOLD IMPROVEMENT	111904SL		15.0019		2,324.			2,324.			0.
51	LEASEHOLD IMPROVEMENT	040105SL		15.0019		32,014.			32,014.			0.
	* OTHER TOTAL BUILDINGS					801,185.		226,632.	574,553.	24,962.	0.	13,604.
	FURNITURE & FIXTURES											
3F	FURNITURE & FIXTURES	070101200DB7.00		17		9,375.		9,375.				0.
15F	FURNITURE & FIXTURES	070102200DB7.00		17		13,933.		4,180.	9,753.	3,183.		1,706.
16F	FURNITURE & FIXTURES	080102200DB7.00		17		779.		234.	545.	211.		95.
17F	FURNITURE & FIXTURES	110102200DB7.00		17		92.		28.	64.	25.		11.
18F	FURNITURE & FIXTURES	120102200DB7.00		17		1,256.		377.	879.	341.		154.
30F	FURNITURE & FIXTURES	022100DB7.00		17		13,035.		4,151.	9,684.	3,756.		847.
31F	FURNITURE & FIXTURES	040102200DB7.00		17		166,431.		49,929.	116,502.	31,607.		20,376.
32F	FURNITURE & FIXTURES	080102200DB7.00		17		19,085.		5,726.	13,359.	5,181.		2,336.

10/20/04

10/20/04

(D) - Asset disposed

6.2

* IRC Section 179, Savings, Bonus, Commercial Revitalization Deduction

2004 DEPRECIATION AND AMORTIZATION REPORT

OTHER 1

Asset No.	Description	Date Acquired	Method	Life	Use %	Unadjusted Cost Or Basis	Bus % Excl	* Reduction in Basis	Basis For Depreciation	Accumulated Depreciation	Section 179 Election	Percent of Depreciation
	ORGANIZATIONAL EXPENSES	070101		60M	43	10,000.			10,000.	5,000.		2,000.
24	COMPUTER SOFTWARE	010102SL		3.00	17	6,354.		1,906.	4,448.	2,225.		1,483.
25	COMPUTER SOFTWARE	020102SL		3.00	17	1,421.		426.	995.	498.		332.
26	COMPUTER SOFTWARE	020102SL		3.00	17	2,918.		875.	2,043.	1,022.		681.
27	COMPUTER SOFTWARE	040102SL		3.00	17	270.		81.	189.	95.		63.
28	COMPUTER SOFTWARE	100102SL		3.00	17	1,145.		344.	801.	401.		267.
29	COMPUTER SOFTWARE	120102SL		3.00	17	4,708.			4,708.	1,649.		1,569.
59	(D) COMPUTER SOFTWARE	020102SL		3.00	17	1,997.		599.	1,398.	699.		235.
	* OTHER TOTAL OTHER					28,813.		4,231.	24,582.	11,589.	0.	6,628.
	BUILDINGS											
21	(D) LEASEHOLD IMPROVEMENT	120101SL		39.00	17	177,708.		53,312.	124,396.	6,513.		3,057.
41	(D) LEASEHOLD IMPROVEMENT	010102SL		39.00	17	104,361.		31,305.	73,056.	9,668.		1,795.
51	(D) LEASEHOLD IMPROVEMENT	020102SL		39.00	17	8,979.		2,694.	6,285.	302.		154.
61	(D) LEASEHOLD IMPROVEMENT	030102SL		39.00	17	408,324.		122,497.	285,827.	13,131.		7,024.
71	(D) LEASEHOLD IMPROVEMENT	040102SL		39.00	17	3,340.		1,002.	2,338.	103.		58.
81	(D) LEASEHOLD IMPROVEMENT	050102SL		39.00	17	4,324.			4,324.	127.		106.
91	(D) LEASEHOLD IMPROVEMENT	060102SL		39.00	17	6,239.		1,872.	4,367.	173.		107.
10	(D) LEASEHOLD IMPROVEMENT	070102SL		39.00	17	8,564.		2,569.	5,995.	225.		148.

428102
10-00-04

(D) - Asset disposed

6.1

* If C, Section 179, Savings, Bonus, Commercial Revitalization Deduction

2004 DEPRECIATION AND AMORTIZATION REPORT

OTHER 1

Asset No.	Description	Date Acquired	Method	Life	Use Mo.	Unadjusted Cost Or Basis	Bus % Excl	Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Current Sec 179	Amount Of Depreciation
33(D)	FURNITURE & FIXTURES	060102200DB7.00	17			3,632.		1,090.	2,542.	986.		223.
34(D)	FURNITURE & FIXTURES	080102200DB7.00	17			272.		82.	190.	74.		17.
35(D)	FURNITURE & FIXTURES	090102200DB7.00	17			3,129.		939.	2,190.	849.		192.
36(D)	FURNITURE & FIXTURES	100102200DB7.00	17			1,121.		336.	785.	304.		69.
37(D)	FURNITURE & FIXTURES	110102200DB7.00	17			15,524.		4,657.	10,867.	4,214.		951.
47(D)	FURNITURE & FIXTURES	040103200DB7.00	17			1,147.		1,147.				0.
56(D)	FURNITURE & FIXTURES	040102200DB7.00	17			11,196.		3,359.	7,837.	16,612.		0.
	CEILING TOTAL FURNITURE & FIXTURES					260,807.		85,610.	175,197.	67,543.	0.	26,977.
	MACHINERY & EQUIPMENT											
19	COMPUTER EQUIPMENT	020102200DB5.00	17			10,381.		3,099.	7,282.	3,760.		1,389.
20	COMPUTER EQUIPMENT	030102200DB5.00	17			7,593.		2,278.	5,315.	2,764.		1,020.
21(D)	COMPUTER EQUIPMENT	040102200DB5.00	17			690.		207.	483.	252.		47.
22	COMPUTER EQUIPMENT	060102200DB5.00	17			3,847.		1,154.	2,693.	1,501.		517.
23	COMPUTER EQUIPMENT	090102200DB5.00	17			1,214.		364.	850.	442.		163.
40	MACHINERY & EQUIPMENT	010103200DB5.00	17			2,076.		2,076.				0.
41	COMPUTER EQUIPMENT	040303200DB5.00	17			3,027.		3,027.				0.
42	COMPUTER EQUIPMENT	060303200DB5.00	17			5,643.		5,643.				0.
43	COMPUTER EQUIPMENT	030103200DB5.00	17			2,365.		2,365.				0.

42708
T048-04

(b) - Asset disposed

6.3

* ITC, Section 179, Salvage, Bonus, Commercial Revitalization Deduction